

Notice of Public Hearing
LSA Document #22-287**Notice of Public Hearing**

Under [IC 4-22-2-24](#), notice is hereby given that on December 8, 2022, at 1:30 p.m., at the Indiana Department of Insurance (IDOI), 311 West Washington Street, Suite 103, Indianapolis, Indiana, the IDOI will hold a public hearing on a proposed rule to add [760 IAC 5](#) regarding pharmacy benefit managers (PBMs) as defined by [IC 27-1-24.5-12](#). The proposed rule establishes PBM licensing requirements, licensing fees, a license application, financial standards for PBMs, annual reporting requirements, the timeline for resolution of an appeal concerning maximum allowable cost pricing, and procedures for auditing submitted claims by a contracted pharmacy.

The proposed rule will impose costs on PBMs operating in Indiana. [IC 27-1-24.5-20](#) allows the commissioner of the IDOI to charge a license application fee in an amount not to exceed \$500. [IC 27-1-24.5-18](#) requires a PBM to obtain a license from the IDOI, and [IC 27-1-24.5-20\(a\)\(1\)](#) requires the commissioner of the IDOI to prescribe an application. A PBM must file an annual report pursuant to [IC 27-1-24.5-21\(a\)](#). [IC 27-1-24.5-20\(a\)\(2\)\(D\)](#) requires the IDOI to adopt rules to establish financial standards for PBMs. The IDOI requires an audited financial statement to appropriately assess the financial condition of PBMs. IDOI requires similar statements to be filed with respect to other regulated entities. The greatest cost the proposed rule imposes on PBMs, which may impact PBMs meeting the definition of "small business" under [IC 5-28-2-6](#), is the requirement to retain the services of a licensed pharmacist, if applicable. This requirement is not imposed by [IC 27-1-24.5](#) but is necessary to ensure the pharmacy claims audit is performed accurately. This requirement is in line with the pharmacy audit requirements of [IC 25-26-22-5\(4\)](#) and is consistent with the requirements of several other states.

Copies of these rules are available on the Department of Insurance's website at www.in.gov/idoi/2591.htm. Copies of these rules are also now on file at the Department of Insurance, 311 West Washington Street, Suite 103, Indianapolis, Indiana and are open for public inspection and copying.

Amy L. Beard
Commissioner
Department of Insurance

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